



MEMORANDUM

To: Department Directors & Elected Officials
Legislators
Cc: Cynthia Eisenhauer, Chief of Staff, IGOV
From: Mollie Anderson
Date: October 7, 2005
Re: I/3 Implementation

This memorandum is intended to notify you of the decision of the Department of Administrative Services (DAS) to delay the implementation of the Human Resource (HR) module, the third phase of a three-phase enterprise-wide planning information system, better known as I/3. Our decision to delay is based primarily upon the following facts:

- It has taken more time and resources than originally intended to implement the first two phases;
- The desire to let our customers focus on, and become comfortable with, the first two phases; and
- This decision will allow us to ensure that we gain the full functionality of the first two phases; thereby providing greater benefit to our customer agencies.

As you may know, Iowa decided to implement an Enterprise Resource Planning (ERP) system to replace the old IFAS, budget, HRIS/payroll and benefits systems, and in that process, eliminating many redundant systems and manual processes. These efforts began with an ERP planning study that was completed in August of 2000. A contract to implement the system was entered into with CGI-AMS in September, 2002. As more knowledge was gained about the 20 to 35 year-old systems and their interrelationships and integration with external departmental sub-systems, replacing them became much more complex and time consuming than originally perceived. Please find attached a document of Frequently Asked Questions (FAQ) entitled "I/3 Background" which will give you background information on the overall goals, costs and timeframes of the originally proposed I/3 system.

Also attached is an FAQ specifically related to our decision regarding the delay of the HR module. This document provides information on how this decision will impact budgets and the timeframes to implement the HR module. We hope you will take the time to carefully review the information provided. The decision to delay implementation has only been made after careful deliberation and considering what action is in the best interests of the state and our customer agencies.

Please call me if you have questions. We are very willing to visit with you, other members of the legislature, or your staff regarding this decision.

Thank you for your time and consideration of this issue.